

BEFORE THE
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Docket No. 2013-267-C

In Re:

Application of Anderson Telephone, Inc.)	
For a Certificate of Public Convenience)	
And Necessity to Provide Resold and)	DIRECT TESTIMONY OF
Facilities-Based Local Exchange and)	THOMAS H. HADDEN ON
Interexchange Telecommunications)	BEHALF OF ANDERSON
Services in the State of South Carolina,)	TELEPHONE, INC.
for Flexible Regulation First Approved)	
in Docket No. 97-467-C and for)	
Alternative Regulation First Approved)	
in Docket No. 95-661-C)	

1 ***Q. Please state your name, title, business address and telephone number for the record.***

2 A. My name is Thomas H. Hadden. I serve as President and Chief Executive Officer
3 (“CEO”) of Anderson Telephone, Inc. (“Anderson Telephone” or “Company”). My
4 business address is 3300 Main Street, Suite D-191, Anderson, South Carolina 29621.
5 My business telephone number is (855) 864-7060.

6 ***Q. Please describe your background and experience.***

7 A. I have over twenty-one years’ experience in designing, developing, and marketing
8 telecommunications, VoIP, wide-area networking and storage management products.
9 Prior to starting Anderson Telephone, I served as Chairman of the Board and CEO for
10 Tandem Telephone, Inc., a competitive local exchange carrier (“CLEC”) based in
11 Hartwell, Georgia. I also co-founded TNE Global Telecom, LLC, and Tandem
12 Designs, LLC, both of which have been operating for seven years, offering VoIP, SS7,
13 SMS/800, LNP, and billing services. From 1999 to 2002, I served as Chief Network
14 Officer for Universal Access (“UAXS”) and was responsible for all carrier
15 interconnections, collection, network operations, network monitoring and the 24/7
16 network operations center. During this period, UAXS went public, constructed 12
17 carrier collocation sites and obtained CLEC status in six states. Prior to UAXS, I
18 served as President of Vaultline, Inc. (“Vaultline”), located in the San Francisco,
19 California, Bay Area. Vaultline was one of the first unregulated carriers to operate an
20 OC48 SONET ring around the entire Bay Area in California with Pacific Bell.

21 ***Q. Please describe your responsibilities for Anderson Telephone.***

1 A. I am responsible for overseeing all of the day-to-day operations of Anderson
2 Telephone.

3 ***Q. Are you familiar with the application Anderson Telephone submitted to the***
4 ***Commission?***

5 A. Yes, I am familiar with the application and wish to incorporate by reference the
6 application and associated exhibits. All of the statements and exhibits are correct and
7 true to the best of my knowledge, information and belief.

8 ***Q. Does any information in the application need to be updated or revised?***

9 A. No, I have no revisions or updates to the application.

10 ***Q. What is the purpose of your testimony in this proceeding?***

11 A. The purpose of my testimony is to present evidence in support of Anderson Telephone's
12 application for a certificate of public convenience and necessity to provide resold and
13 facilities-based local exchange and interexchange telecommunications services in South
14 Carolina, and to demonstrate that Anderson Telephone has the requisite financial,
15 managerial, and technical capability to provide competitive local exchange and
16 interexchange telecommunications services throughout the State of South Carolina.
17 Finally, my testimony is also intended to demonstrate how the granting of Anderson
18 Telephone's application will serve the public interest, convenience and necessity.

19 ***Q. Please briefly describe your Company's corporate structure.***

20 A. Anderson Telephone is a corporation organized under the laws of the State of South
21 Carolina. Anderson Telephone's principal place of business is in Anderson, South
22 Carolina. As I have testified, I serve as President of Anderson Telephone. The

1 Company's other officers are: Mark Bown (Executive Vice President), Cathryn
2 Zygodlo (Secretary), Everett Hadden (Treasurer) and Terri Rose (Officer).

3 ***Q. Please describe the services Anderson Telephone proposes to provide within the State***
4 ***of South Carolina.***

5 A. Anderson Telephone proposes to provide facilities-based and resold nondominant local
6 exchange services and interexchange services to customers throughout the State of
7 South Carolina. Anderson Telephone proposes to provide such services through a
8 combination of its own facilities and facilities to be leased from a variety of
9 telecommunications carriers. The Company will offer such services in accordance with
10 the local exchange and interexchange tariffs attached as exhibits to its application.

11 ***Q. Has Anderson Telephone received authorization to provide such services in other***
12 ***jurisdictions?***

13 A. Affiliates of Anderson Telephone offer telecommunications services in other
14 jurisdictions. Specifically, Anderson Telephone's affiliate, Tandem Telephone, LLC,
15 currently offers a variety of telecommunications services in Georgia. In addition,
16 Anderson Telephone affiliates Carrboro Telephone, Inc. and Kinloch Telephone, Inc.
17 are seeking certification to provide competitive local exchange and interexchange
18 services in North Carolina and Georgia, respectively.

19 ***Q. Please describe Anderson Telephone's Technical and Managerial Qualifications.***

20 A. Anderson Telephone is technically and managerially qualified to operate and manage its
21 proposed telecommunications operations in South Carolina. The senior management of
22 Anderson Telephone has extensive experience in the provision of telecommunications
23 services. Biographies outlining the technical and managerial experience of Anderson

1 Telephone's key personnel were included as an exhibit to Anderson Telephone's
2 application. These biographies demonstrate that Anderson Telephone possesses
3 significant expertise in operating a telecommunications company. In addition to senior
4 management, Anderson Telephone has highly qualified technical personnel to ensure
5 that its operations will meet demanding standards for service quality and reliability.

6 ***Q. Please describe Anderson Telephone's Financial Qualifications.***

7 A. Anderson Telephone possesses the financial qualifications required for the issuance of
8 the requested certificate of public convenience and necessity. Anderson Telephone is a
9 start-up company and does not have financial statements for the past twelve months.
10 The Company will rely on the financial backing of TNE Global Telecom, LLC
11 ("TNE") and Tandem Telephone, Inc. ("Tandem"). The financial statements of TNE
12 and Tandem were provided as an exhibit filed under seal to Anderson Telephone's
13 application. Anderson Telephone applied for, and the Commission granted, protective
14 treatment of the TNE and Tandem financial statements.

15 ***Q. Has Anderson Telephone provided any intrastate telecommunications services within***
16 ***the State of South Carolina?***

17 A. No, it has not.

18 ***Q. How will Anderson Telephone bill its customers?***

19 A. Anderson Telephone will bill customers directly for its services. The Company's
20 customer billing will be conducted in compliance with Commission Rule 103-622.
21 Anderson Telephone's customer service telephone numbers and its email contact
22 information will be included on customer bills.

23 ***Q. How will Anderson Telephone market its services in South Carolina?***

1 A. Anderson Telephone will market its services through word of mouth and through the
2 efforts of salespersons familiar with the telephone industry.

3 *Q. Please describe Anderson Telephone's customer service procedures.*

4 A. Anderson Telephone recognizes the importance of effective customer service.
5 Customer service representatives are available from 8:00AM to 5:00PM Central
6 Standard Time by calling 1-855-864-7060. Messages may be left for customer services
7 from 5:01PM to 7:59AM CST. Messages will be answered on the next business day,
8 except in the event of an emergency which threatens customer service, in which case
9 customer service staff may be paged.

10 *Q. If the Commission authorizes Anderson Telephone to provide competitive local*
11 *exchange and interexchange services in South Carolina, will Anderson Telephone*
12 *abide by the Commission's rules and regulations and the laws of the State of*
13 *Carolina, as now adopted or that may be adopted in the future, regarding the*
14 *provision of such services?*

15 A. Yes.

16 *Q. Will Anderson Telephone support universally available telephone service as required*
17 *by the Commission?*

18 A. Yes, Anderson Telephone will comply with all of the Commission's requirements
19 regarding universally available telephone service.

20 *Q. Is Anderson Telephone requesting flexible regulatory treatment?*

21 A. Yes. Anderson Telephone will operate as a non-dominant provider of local exchange
22 telecommunications services. The Company therefore requests flexible regulation for
23 its local exchange services as the Commission granted in Order No. 98-165 in Docket
24 No. 97-467-C. The Company understands that this flexible regulatory treatment
25 requires the Company to file maximum rates for its services offerings. In addition,

1 Anderson Telephone understands that local tariff filings will be presumed valid once
2 they are filed subject to the Commission's right to investigate the filing within thirty
3 days.

4 ***Q. Is Anderson Telephone requesting alternative regulation of its business service***
5 ***offerings?***

6 A. Anderson Telephone requests that all of its business offerings be regulated pursuant to
7 the procedures described in Commission Order Nos. 95-1734 and 96-55 in Docket No.
8 98-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-
9 C. The Company intends to have its business services regulated in the same manner as
10 the Commission has permitted for AT&T Communications of the Southern States, Inc.
11 ("AT&T"). Specifically, Anderson Telephone requests that the Commission: (a)
12 remove the maximum rate tariff requirements for its business services and offerings; (b)
13 presume that the tariff filings for these uncapped services be valid upon filing; and (c)
14 grant the Company the same treatment as AT&T with any future relaxation of the
15 Commission's reporting requirements.

16 ***Q. How will the residents of South Carolina benefit from Anderson Telephone's services***
17 ***and presence in South Carolina?***

18 A. Approval of Anderson Telephone's application for a certificate of public convenience
19 and necessity to provide competitive local exchange and interexchange services in South
20 Carolina will promote the public interest by increasing the level of competition for such
21 services in the state. The presence of an additional provider of these services in South
22 Carolina will enhance competition, which should facilitate lower prices for consumers
23 and the availability of more consumer products and services.

1 ***Q. Will the services that Anderson Telephone intends to provide in South Carolina***
2 ***comply with all applicable service standards established by the Commission?***

3 ***A.*** Yes, Anderson Telephone will comply with all applicable service standards established
4 by the Commission.

5 ***Q. Will granting Anderson Telephone's application adversely affect the availability of***
6 ***affordable local exchange service in South Carolina?***

7 ***A.*** No. As I noted previously, the entrance of new telecommunications services providers
8 in a market should facilitate the availability of more affordable telecommunications
9 services and facilitate a wider choice of services and options.

10 ***Q. Does this conclude your testimony before the Commission?***

11 ***A.*** Yes.

CERTIFICATE OF SERVICE

I, the undersigned Administrative Assistant of the law offices of Nelson Mullins Riley & Scarborough, LLP, attorneys for Applicant in Docket 2013-267-C, do hereby certify that I have this date served all parties in this matter with a copy of the pleading(s)/filing(s) below specified by mailing a copy of same by United States Mail, postage prepaid, to the following address(es):

Pleadings/Filing: Prefiled Direct Testimony on Behalf of Anderson Telephone, Inc.

Parties Served: Jocelyn Boyd, Chief Clerk
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Kelli Martin

Aug. 26, 2013
~~July 23, 2013~~